



BOARD OF DIRECTORS

Rod Smiley, President Raynette Gregory, Vice-President
Berkley Baker, Director Anthony Kalvans, Director Owen Davis, Director

REGULAR MEETING MINUTES

6:00 P.M. Opened Session
SMCSD Boardroom 11-16-2023

1. Call to Order:

At: 6:00 P.M.

2. Roll Call: *Raynette Gregory, Anthony Kalvans, Owen Davis, Berkley Baker*

ABSENT: *Rod Smiley*

3. Approval of Regular Meeting Agenda:

Motion By: Berkley Baker

Second By: Anthony Kalvans

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

4. Pledge of Allegiance:

Lead by Director Kalvans

5. Public Comment and Communications for items not on the agenda:

Dan Hido, San Miguel resident spoke about the ongoing harassment of District staff by past and present District directors and employee. Mr. Hido requested that the current Board of Director's acknowledge and abide by the Board By-Laws.

Paola Freeman, Monterey resident Spoke and refuted Mr. Hido statement.

Ashley Sangster, San Miguel resident spoke and refuted Mr. Hido statement and voiced that he stands for the community.

Director Gregory called Point of Order to continue without interruptions.

6. Special Presentations/Public Hearings/Other:

None

7. Non- District Reports:

1. San Luis Obispo County Organizations

Verbal/Report

San Luis Obispo County Sheriff Deputy Strobridge updated the Board of Directors that he was there due to security issues.

2. Community Service Organizations

Verbal

Scott Young from the San Miguel Firefighters Association (SMFA) explained that the San Miguel Christmas Lights Parade and Santa Visit will be held on Saturday, December 16th.

[San Miguel Firefighters Association - San Miguel Firefighters Association \(smfirefightersassoc.org\)](http://smfirefightersassoc.org)

Anthony Kalvans explained that Lion's Club will be having food at the San Miguel Christmas Lights Parade, and Santa Visits are scheduled for the elementary schools.

3. Camp Roberts—Army National Guard

Verbal

None

8. Staff & Committee Reports - Receive & File:

1. General Manager

Receive verbal report

General Manager Kelly Dodds updated the Board of Director regarding the FPPC 700 Forms and required training. Mr. Dodds explained that he is still working with the Senior Center for a contract and that the next Board Meeting will be held on December 14th.

Board Comment: Director Davis asked why the District Meeting could not be held in the trailer at the Wastewater Facility or the Fire Station. General Manager Kelly Dodds explained that there is not enough room in the trailer at the Wastewater Treatment plant, and explained that the Fire Station is not the best place for the public. The Senior Center has A/C and Heat and is a better place for the public.

Public Comment: None

2. District Counsel

Receive verbal report

District General Counsel Christina Pritchard had nothing to report.

Board Comment: None

Public Comment: None

3. District Utilities

Receive and File

General Manager Kelly Dodds explained to the Board that there had been a couple of leaks, one on 15th Street and one on 11th Street and submitted the report as written.

Board Comment: Director Davis asked if the District's Utility Office gate will be closed from now on.

General Manager Kelly Dodds explained that for the short term yes, and he will be assessing the situation.

Director Davis voiced that in his opinion it is a public utility and unless the District has a good reason, and not the false claims voiced in public comment, the office should remain opened during the day. General Manager Kelly Dodds explained that the gate is closed for staff safety and that it is his decision and considers safety to be the highest priority.

Director Gregory asked if the General Manager could plainly state the situation that happened.

District General Counsel Pritchard explained that there has been a death threat made in person to staff members and that the gate will remain closed until we can deal with the situation. As the Deputy stated there has been a restraining order that has occurred but is only temporary at this point, and counsel will need to see that through first.

Director Gregory asked if she was correct that somebody came into the office and made a death threat. Counsel Pritchard expressed that Director Gregory was correct. Director Gregory asked Director Davis if that was enough of a safety concern.

Director Davis voiced that he would have to find out the details first, because he has been accused by the public.

General Manager Kelly Dodds expressed that the primary driving factor for the gates being closed is that we had an individual come into the office and make death threats to staff, as a side note we had a person the Sheriff was looking for on the same day that Director Davis came to the District Office. The office gate will remain closed, and it is just being asked that customers call the number at the gate, and we will open the gate for them to do business.

Public Comment: None

4. Fire Chief Report

Receive and File

Scott Young Fire Chief submitted report as written and asked for any questions.

Board Comment: Director Gregory asked how the auction went for the U8630 vehicle. Fire Chief Young explained that it was sold for around \$6250.00 minus fees. Discussion on vehicle 8601 ensued.

Public Comment: None

9. Consent Calendar:

Director Kalvans pulled item 9.3 for discussion

Board Comment: None

Public Comment: None

Motion By: Berkley Baker

Second By: Anthony Kalvans

Motion: To Approve Approve Item 9.1 and 9.2

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

1. **09-28-2023 Draft San Miguel CSD and Groundwater Sustainability Agency Meeting Minutes**
Receive and File
2. **10-26-2023 Draft San Miguel CSD and Groundwater Sustainability Agency Meeting Minutes**
Receive and File
3. **Approve RESOLUTION 2023-52 approving a joinder agreement and restated Integrated Waste Management Authority (IWMA) JPA and MOA with Special Districts, and authorize the Board President to sign the Amendment to the MOA**

Approve RESOLUTION 2023-52 and authorize the Board President to sign the joinder agreement and restated MOA with IWMA.

Director Kalvans pulled this item for discussion and expressed that he feels that CSD's should have more representation on the Integrated Waste Management Authority (IWMA) Board.

General Manager Kelly Dodds discussed the new JPA and MOA, and it was being changed because San Luis Obispo County has reentered IWMA.

Board Comment: Director Baker asked for some history on this item. General Manager Kelly Dodds explained the history of San Luis Obispo County and IWMA

Public Comment: None

Motion By: Anthony Kalvans

Second By: Berkley Baker

Motion: To Approve Resolution 2023-52

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

10. Board Action Items:

1. **Monthly Financial Reports for October 2023 (Recommendation: review and comment)**
**** Once the FY2022-23 Audit is approved- formal approval of monthly reports will be presented****

Please *Review* the October 2023 SMCS D Financial Reports.

After the SMCS D Audit is completed, all adjusting journal entries are processed, and the 22/23 FY is closed- all Financial Reports that were presented for Review Only will be finalized. Those reports will then be presented to the Board for *Receive and File* approvals. Financial Officer Michelle Hido voiced that financials are on page 149-187 of the Board packet, and report is submitted as written. Mrs. Hido asked for any questions and explained

that the Fiscal Year 22-23 Audit will be presented to the Board of Directors at the December Board Meeting.

Board Comment: Director Baker asked about Utilities on Page 180 (Object 381) that fund is at 49% of Budget, and has him a little worried.

General Manager Kelly Dodds explained that the electric bill is based on the prior years cost and discussed the time of use and PG&E rates that were raised by 10 to 12 percent since the budget was finalized.

Director Baker voiced that the District is on tract to have a \$120k Electric Bill for the year.

Director Baker also wanted to discuss the Legal Counsel bills.

Financial Officer Michelle Hido explained to Director Baker that there will be a "mid-year budget" discussion in either December or January.

District Counsel expressed that she would like to have that conversation with Director Baker, and can explain what is at a higher cost, but without having the bills in front of her it would not be productive. Discussion ensued on budget.

General Manager Kelly Dodds explained that Legal costs are hard to anticipate.

Director Baker asked about the Utility Rate Design Study (432) and discussion ensued on the cost being over. General Manager Kelly Dodds voiced that he would bring back the breakdown of cost at the next meeting.

Public Comment: None

2. Authorize a Cost Recovery Agreement between Fire Recovery USA, LLC and the San Miguel Fire Department - RESOLUTION 2023-45 Tabled from September 28th Board Meeting (Recommend review and approve)

Approve Resolution 2023-45 authorizing the Fire Chief to enter into an Agreement between Fire Recovery USA, LLC and the San Miguel Fire Department for cost recovery services.

Scott Young spoke about Cost Recovery USA, LLC, explaining that SMCS D Fire has been with Cost Recovery since 2015. Since then, San Miguel Fire has not submitted any claims. Fire Chief Scott Young voiced that the Fire Department is always exploring avenues to recover cost, without a cost to the citizens of San Miguel. Mr. Young explained that exhibit "A" lists all the services and cost. Chief Young explained that the intent is to collect funds through auto insurance. Discussion ensued.

Board Comment: Director Davis voiced that his opinion is that the Fire Department is well paid by the taxpayers here in San Miguel, and that the Fire Department is reimbursed by the taxpayers.

Fire Chief Scott Young explained that San Miguel citizens pay property tax, and the San Miguel Fire Department gets 12.75% of the 1% of the property taxes collected to protect the citizens within the San Miguel boundaries. It was explained that beyond the San Miguel Boundaries the Department receive nothing. Discussion on incidents, California Office of Emergency Services (OES) and the San Miguel Fire Department ensued.

Director Baker voiced that in his opinion the real problem is that Fire and Police are underfunded, and safety needs to be a priority. Director Baker expressed that he feels that this Cost Recovery gives the State and County an out for not funding the emergency services, and voiced that if the Fire Department cannot afford to service outside the District; then stay in the District.

District General Counsel Pritchard explained that the State of California does not fund local Fire Departments, they are run by their own public entities. Since San Miguel Community Services District has its own Fire Department, the District has committed to funding its own Fire Department.

Director Baker explained that he understood the the Fire Department is guaranteed the 1%,

and feels that it is the problem, and if the County Board of Supervisors wanted to fund the Department appropriately, they could. This Cost Recovery is enabling the lack of funding and is just another tax on the community.

Director Kalvans expressed that it is a touchy subject and maybe we should table this item for a full Board. Director Kalvans voiced that his opinion is that funding for the Fire Department is needed and is a big goal for the District. Director Kalvans spoke about the history of funding and would like to look into the Tax Rate Areas.

Fire Chief Young explained that having an underfunded Department is also, about public safety and this is potential funding source, that would help.

Director Baker asked about the call in the Fire Chief report and how many would have been billed with this Cost Recovery. Chief Young explained that multiple items would have been billed, and discussed the items.

Director Gregory asked about fire investigation, and the District not having a mechanism to collect for those services. Fire Chief Scott Young explained that he belongs to the San Luis Obispo Fire Investigation Strike Team (SLOFIST) and when his services are needed, this would give the Department a mechanism to recover some of that cost.

Public Comment: None

After Motion, Fire Chief Young explained that he is available for any questions.

Motion By: Owen Davis

Second By: Anthony Kalvans

Motion: To Table to later date

Board Members	Ayes	Noes	Abstain	Absent
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Berkley Baker		X		
Rod Smiley				X

3. Approve repairs to San Lawrence Terrace (SLT) Well equipment including related budget adjustment and transfer from capital reserve - RESOLUTION 2023-51 (Recommend review and approve)

Approve RESOLUTION 2023-51 authorizing a budget adjustment and fund transfer from capital reserve to operational cash for repairs to the SLT Well pump equipment.

Item Presented by General Manager Kelly Dodds explaining that the item is to approve the cost associated with replacing the Well Motor, Well Pump, Drop Pipe at the San Lawrence Terrace (SLT) with the cost including the initial removal and replacement is \$35,390 and would be funded out of Water Capital funds.

Board Comment: Director Baker asked what would happen if the pump was not replaced and asked about the pressure on the San Lawrence Terrace (SLT). General Manager Kelly Dodds discussed the ramification of not replacing this Pump, and what would happen if the fund were spent on the Booster Pump project. Discussion ensued.

Director Davis voiced that he is in favor of this and has done a lot of research regarding the arsenic and running the well for a good 36 hours would help the water quality. Discussion ensued on the History of the San Lawrence Terrace (SLT) Well.

Public Comment: None

Motion By: Berkley Baker

Second By: Anthony Kalvans

Motion: To Approve

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

4. CONTINUATION OF DISCUSSION AND POTENTIAL ACTION REGARDING THE ADOPTION OF WATER RATES FROM SEPTEMBER 28TH 2023 BOARD MEETING

Pursuant to Article XIII (D) of the California Constitution that San Miguel Community Services District is continuing the discussion regarding the protest ballots submitted and will consider taking action to update the rate structure and increase its rates for water services.

Receive report from General Manager regarding protest verification and continue Board discussion and potential approval of water rate structure change and increase.

Item presented by Director Gregory and for public comment before moving forward.

Public Comment: Ashley Sangster, San Miguel resident spoke about reviewing the protest tally, and the need for a process for Prop 218 protests.

Board Comment: Director Gregory voiced that she would like to take the time needed to review all options and feels that it would be best to have a full Board.

After Motion, Director Baker requested that General Manager Kelly Dodds to update some of the information. General Manager Kelly Dodds explained that he has been working on that, and asked that he come by and discuss.

Motion By: Raynette Gregory

Second By: Anthony Kalvans

Motion: To Table to December 14th

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

5. Adopt revisions to District water and wastewater Billing policy - RESOLUTION 2023-47 (Recommend review and approve)

Review and approve RESOLUTION 2023-47 adopting revisions to the District water and wastewater billing policy.

Public Comment: None

Board Comment: None

Motion By: Anthony Kalvans

Second By: Raynette Gregory

Motion: To Table to December 14th

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

6. Discussion on priorities for Streetlighting and Landscaping Masterplan (Discuss and provide feedback to General Manager)

Discuss priorities for a Streetlighting and Landscaping Masterplan

Item presented by Director Kalvans, voicing that Director Smiley and himself have been working on this and would like to table the item until the December Board Meeting.

Public Comment: None

Board Comment: None

Motion By: Anthony Kalvans

Second By: Berkley Baker

Motion: To Table to December 14th

Board Members	Ayes	Noes	Abstain	Absent
Berkley Baker	X			
Raynette Gregory	X			
Anthony Kalvans	X			
Owen Davis	X			
Rod Smiley				X

11. Board Comment:

None

12. Adjourn to Closed Session/Closed Session Agenda:

Public Comment: None

AT: 7:24 P.M

1.

Conference with Legal Counsel – Existing Litigation (Gov. Code, § 54956.9)

Case Name Unspecified: Disclosure would jeopardize service of process

Direction to staff

13. Report out of Closed Session:

Nothing to report

14. Adjournment to Next Regular Meeting - December 14th 2023:

At: 8:35 P.M